

List of Changes* to FNS Handbook 501
Effective 8/2005

Old Page	New Page	Paragraph	Proposed Change
i	i	Table of Contents	- Include all of Chapter IV, "Eligibility Criteria" on page i
ii	ii	Table of Contents	- In Chapter V, "Certification Procedures," add Section 7, "Disqualifications", and Section 8, "Intentional Program Violations"
iii	iii	Exhibits	- Delete reference to Form FNS-155 and reserve Exhibit F - Add Exhibit O-1, FDPIR Fresh Fruit and Vegetable Guide Rates - Add Exhibit Y, "7 CFR 277," and Exhibit Z, "7 CFR 3016" - Add Exhibit AA, "Sample Copy of Form DA-633E" - Add revision dates for forms
--	iv to v	(New section)	- Add "Acronyms"
1-1 to 1-3	1-1 to 1-3	1110 Definitions	- Eliminate numbering system for definitions
1-1	1-1	1110 Definition of "Application Form"	- Revise for clarity
1-1	1-1	1110 Definition of "Assistance Household"	- Revise for clarity
1-1	--	1110 Definition of "Department"	- Delete - Insert "USDA" or "FNS," as appropriate, wherever "Department" appears in the Handbook text
1-2	1-1	1110 Definition of "Disqualified Member"	- Revise to remove words "for fraud" at end of sentence
--	1-1	(New definition)	-Add definition of "Dunnage"
1-2	1-2	1110 Definition of "Exercises Governmental Jurisdiction"	- Revise to include reference to ITOs under FDPIHO
1-2	1-2	1110 Definition of "Food and Nutrition Service Area"	- Correct reference to FDPIHO - Add separate sentence to specify that urban places cannot be served unless approved by waiver
1-2	1-2	1110 Definition of "Food Distribution Program"	- Revise for clarity and include reference to FDPIHO

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1-2	1-2	1110 Definition of "Indian Tribal Household"	- Revise for clarity - Add clarification that the disqualification of the household member who is a tribal member would not change the household's status
1-2	1-2	1110 Definition of "Indian Tribal Organization"	- Revise for clarity and include ITOs under FDPIHO
1-2	1-2	1110 Definition of "Indian Tribe"	- Revise for clarity - Add reference to tribes in Oklahoma in second part of definition
1-2	1-2	1110 Definition of "Near Area"	- Revise for clarity - Add the phrase " , unless approved by waiver." to the end of the second sentence
1-3	1-3	1110 Definition of "Nonassistance Households"	- Revise for clarity
1-3	1-3	1110 Definition of "Perpetual Inventory"	- Revise for clarity
1-3	1-3	1110 Definition of "Public Assistance"	- Revise to conform with definition used by the Food Stamp Program, i.e., add " , including TANF for children of unemployed fathers," after "(TANF)"
1-3	1-3	1110 Definition of "State"	- Delete
1-3	--	1110 Definition of "State Agency"	- Add reference to approved near areas and FNS service areas in Oklahoma in both parts of the definition
--	1-3	New definition	- Add definition of SSI
1-4	1-4	1210 Plan of Operation	- Revise for clarity
1-4	1-4	1212 Submission of Plan of Operation to the ITO or Governor	- Delete reference to "Governor" and conform to 7 CFR 253.5(a)(ii)
1-5	1-5	1224 Activities Prohibited by Staff	- Revise for clarity
1-6	--	1232 Public Attendance	- Delete in accordance with August 4, 2000 final rule on Income Deductions and Miscellaneous Provisions (65 FR 47833)
1-6	1-6	1240 Annual Review Requirements	- Revise paragraphs 1240, 1241 and 1242 for clarity - Change paragraph 1242 title to "Technical Assistance"
1-7	1-7	1260 FNS Nondiscrimination Complaint Procedures	- Revise to include voice and TDD telephone number

Old Page	New Page	Paragraph	Proposed Change
1-8	1-7	1263 Submission of Complaints	- Revise for clarity - Change paragraph title to “Action by Office of Civil Rights”
1-9	1-8	1300 Outreach	- Redesignate paragraphs 1300 and 1301 as 1280 and 1281, respectively - Incorporate FDPIR Policy Memorandum No. 16 on categorical eligibility for NSLP and SBP meals in new paragraph 1281
1-9 to 1-11	1-9 to 1-10	Section 3, General Requirements	- Redesignate paragraphs 1310 through 1380 as paragraphs 1300 through 1370, respectively
1-10	1-10	1330 Disclosure of Household Information (redesignated as 1320)	- Revise for clarity
1-10	1-10	1350 Indian Tribal Organization (ITO) Involvement (redesignated as 1340)	- Change title to “State Agency Coordination with ITO”
--	1-10	(New paragraph)	- Add new paragraph 1380, “Replacement of Commodities”
1-12	1-11	1410 Nutrition Education Materials	- Revise for clarity
1-12	1-11	1420 Volunteers and Cooperating Organizations	- Revise for clarity
1-13	1-12	1520 Reports – State Agency to FNS	- Revise paragraph 1520B for clarity
1-14	1-13	1520 Reports – State Agency to FNS	- Delete item 1 under paragraph 1520C— FNS-155 is no longer required for FDPIR
1-14	1-13	1520 Reports – State agency to FNS	- Revise paragraph 1520C-3 to specify that Commodity Acceptability Progress reports are due every 2 years
1-14	1-13	1530 Reports – Local Agency to State Agency	- Revise paragraph 1530B for clarity
1-15	1-14	1600 Local Agencies 1610 State Agencies	- Redesignate paragraph 1600 as 1610, Local agencies, and redesignate paragraph 1610 as 1600, ITO/State Agencies - In redesignated paragraph 1600, delete words “at least annually” in the first sentence - Revise redesignated paragraphs 1600 and 1610 for clarity
1-16	1-15	1700 State Agency	- Change “\$300,000” to “\$500,000” in second sentence
2-1	2-1	2100 Administrative Funding	- Revise language to be more consistent with 7 CFR 253.11(a)

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2-1	2-2	2101 Compelling Justification	<ul style="list-style-type: none"> - Redesignate as paragraph 2103 - Revise for clarity - Delete second, third and fourth sentences - Add clarification on compelling justification that is consistent with guidance in FNS Instruction 716-4
2-1	2-1	2102 Allowable Costs	<ul style="list-style-type: none"> - Redesignate as paragraph 2101 - Add statement that administrative funds may only be used for costs that are necessary and reasonable - Specify that 7 CFR Part 277 is included as Exhibit Y
2-1 to 2-2	2-1 to 2-2	2103 Matching Requirement	<ul style="list-style-type: none"> - Redesignate as paragraph 2102 - Revise entire paragraph for clarity - Add clarification on matching funds from other federal programs
2-3	2-3	2210 Application for Funds	<ul style="list-style-type: none"> - Revise for clarity - Delete reference to “Section III” in second sentence - Add reference to DUNS number and contact information fro obtaining DUNS number.
2-3	2-3	2220 Budget Procedures	<ul style="list-style-type: none"> -Revise for clarity - Delete reference to “Part III” in first sentence
2-4	2-4	2300 General	<ul style="list-style-type: none"> - In second sentence, add that ASAP is web-based - In fourth sentence, change “Agency Financial Management System (AFMS)” to “Integrated Program Accounting System (IPAS)” - In last sentences, add reference to paragraph 2323
2-4	2-4	2310 Establishing the Letter of Credit	<ul style="list-style-type: none"> - In second sentence, delete reference to arranging for installation of the necessary software, and add in its place reference to providing logon access to the ASAP web-based system - Add that access to ASAP will be via the WEB or Voice Response
2-4	2-4	2321 Types of Payment Requests	<ul style="list-style-type: none"> - Change title of paragraph to “Individual and Summary Payment Requests”
--	2-5	(New paragraph)	<ul style="list-style-type: none"> - Redesignate paragraph 2323 as paragraph 2324 - Add new paragraph 2323, “Payments by FNS to ITO/State Agencies”

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2-5	2-5	2323 Payment to Local Agencies (redesignated as 2324)	- Revise for clarity
2-6	2-6	2400 Responsibility for Maintenance of Records	<ul style="list-style-type: none"> - Change phrase “compliance with Part 277 of the Food Stamp Regulations, agreements with FNS and procedural instructions” to “compliance with applicable Federal regulations and circulars (i.e., 7 CFR Part 3016; OMB Circular A-87).” - Change “(See 7 CFR 3015, Subpart D, 3015.61(b) and (g), and 7 CFR 277.6(b).)” to “(See 7 CFR 3016.20 and 3016.42)”
2-6	2-6 to 2-7	2410 Property Records	<ul style="list-style-type: none"> - Change title to “Equipment and Vehicle Records” - Reorganize and revise entire paragraph for clarity - Add paragraph headings 2411, “Definition of Equipment;” 2412 “Maintenance of Records; and 2413 “Disposition of Equipment” - Clarify definition of equipment to comply with 7 CFR 3016.1 - Revise list of information needed to comply with 7 CFR 3016.32(d) - Expand language on disposition of equipment
2-7	2-7 to 2-8	2430 Return, Rejection, and Reallocation of Funds	- Reorganize and revise for clarity
3-1	3-1	3100 The Application Process	- Add “Advising household of its rights and responsibilities” in list of required actions
--	3-1	(New paragraph)	- Add new paragraph 3101 on providing notice of right to fair hearing at application
3-1	3-1 to 3-2	3110 The Application Form	<ul style="list-style-type: none"> - Revise to include requirement that the application form include the nondiscrimination statement - Add reference to paragraph 3340 - Delete reference to Exhibit D
3-1 to 3-2	3-2 to 3-3	3120, 3130, 3131, 3140, 3150	- Redesignate paragraphs 3120, 3130, 3131, 3140, and 3150 as paragraphs 3130, 3140, 3141, 3150, and 3160, respectively
--	3-2	(New paragraph)	<ul style="list-style-type: none"> - Add new paragraph 3120 on “Filing an Application” - Clarify that application is considered complete for filing purposes if it contains name and address and is appropriately signed

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3-1	3-2	3120 How Applications Can Be Filed (redesignated as 3130)	- Revise to indicate that faxed applications may be accepted if readable and the signature is clear
--	3-3	(New paragraph)	- Add new paragraph 3170, "Refusal of Service to Abusive Clients"
3-5	3-6	3300 Time Standards for Processing of Applications	- Add reference to paragraph 3120
3-5	3-6	3320 Delays in Processing	- Change title to "Delays in Processing Due to Lack of Verification"
--	3-6	(New paragraph)	- Redesignate paragraphs 3330 and 3331 as 3340 and 3341, respectively - Add new paragraph 3330, "Incomplete Applications" - Clarify in new paragraph 3330 that an application is considered incomplete for filing purposes if it doesn't contain information specified in paragraph 3120 - Add reference in new paragraph 3330 to paragraph 3620 on households that fail to respond to a request by the ITO to arrange an interview
3-6	3-7	3331 Verification Requirements (redesignated as 3341)	- Revise to include language that ITO/State agency should make effort to check for dual participation - Add reference to paragraph 3509
3-7	3-8	3400 Composition of a Household for Application Purposes	- Revise for clarity
--	3-8	(New paragraph)	- Add new paragraph 3401, "Temporary Absences" - Clarify that ITOs/State agencies may further define temporary absences
3-7	3-8	3410 Nonhousehold Members	- Revise for clarity
3-7	3-8	3411 Roomers	- Revise for clarity
3-7	3-8	3412 SSI Recipients in "Cash-Out" States	- Revise for clarity
3-7 to 3-8	3-9	3413 Disqualified Individuals	- Revise for clarity - Add references to new paragraphs 5710-5740 - Revise paragraph 3413C (redesignated as 3413B) to reflect FDP Intentional Program Violations

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3-8	3-9	3414 Illegal Residents	- Change title to “Unqualified Aliens” - Revise to include option allowed by Public Law 104-193 to serve unqualified aliens
3-8	3-9	3415 Foster Care Children	- Revise for clarity
--	3-9	(New paragraph)	- Redesignate paragraph 3416 as paragraph 3417 - Add new paragraph 3416, “Boarders and Residents of Institutions”
3-9	3-10	3432 Who Cannot Be an Authorized Representative	- Revise to reflect that no disqualified persons can act as authorized representative
3-11	3-12	3500 General Provisions	- Revise for clarity
3-12	3-13	3504 Mandatory Verification	- Add provision for mandatory verification for child support and Medicare Part B Insurance Premium deductions - Revise for clarity
3-12	3-13	3505 Verification of Questionable Information	- Revise for clarity
3-13	3-14	3508 Verification at Recertification	- Revise for clarity

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3-14 to 3-17	3-15 to 3-18	3530-3539 Verification of Income	<ul style="list-style-type: none"> - Redesignate paragraph 3539 as paragraph 3550, and revise for clarity - Redesignate paragraph 3537 as paragraph 3540, with no substantive changes - Redesignate paragraph 3538 as paragraph 3539 and add language on child support and Medicare Part B income deductions - Redesignate paragraph 3531 as paragraph 3538 with no substantive changes - Redesignate paragraph 3532 as paragraph 3531 - Move most of text in paragraph 3530 to new paragraph 3531, with revisions for clarity - Add new paragraph 3532, "Self-Employment Income" - Redesignate paragraphs 3533-3536 as paragraphs 3534-3537 - Add new paragraph 3533, "Household Reporting Zero Income" incorporating language from original paragraph 3530 - Revise paragraph 3536 for clarity - Change title of redesignated paragraph 3537 to "Verification of Nonexcluded Educational Income" - In new paragraph 3537, add reference to paragraph 4544
3-18	3-20	3600 Standards for Interviews	<ul style="list-style-type: none"> - In first sentence, add provision for submitting applications by data fax - Revise for clarity
3-18	3-20 to 3-21	3620 Household Refusal to Cooperate	<ul style="list-style-type: none"> - Change title to "Household Failure or Refusal to Cooperate" - Revise for clarity
4-1	4-1	4100 Determining Household Eligibility	<ul style="list-style-type: none"> - Change "ements" to "requirements" in paragraph D
4-1	4-1	4101 Determining Eligibility and Benefit Level for Households with a Disqualified Member(s)	<ul style="list-style-type: none"> - Add reference to paragraph 4730
4-2	4-2	4210 Residency	<ul style="list-style-type: none"> - Revise for clarity
4-2	4-2	4211 Citizenship	<ul style="list-style-type: none"> - Add provisions on Canadian Indians, and alien provisions of Public Law 104-193
4-2	4-2 to 4-3	4212 Near Area or Service Area	<ul style="list-style-type: none"> - Revise for clarity and to reference BIA list of Federally recognized tribes, which is included on the FNS website

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4-2	4-3	4213 Urban Areas	- Revise for clarity - Include provision for FNS service areas in Oklahoma
4-3	4-3	4220 Household Composition	- Add reference to paragraph 3410
4-5	4-5	4400 Resources	- Revise for clarity
4-5	4-5	4410 Standard Household Limits for Resources	- Move first sentence after item B to introductory paragraph of 4410
4-5	4-7	4411 Jointly Owned References 4412 Resources of a Disqualified Member	- Redesignate paragraphs 4411 and 4412 as paragraphs 4450 and 4460, respectively - Revise redesignated paragraph 4460 to expand policy to all types of disqualified members
4-5	4-5	4420 Nonexempt Resources	- Revise for clarity
4-5	4-5	4430 Excluded Resources	- Change title to “Exempt Resources” - Revise introductory sentence for clarity
4-6	4-5	4433 Prorated Income	- Revise for clarity
4-6	4-6	4434 Resources Excluded by Law	- Spell out “Public Law” wherever “P.L.” appears - Revise item A on Alaska Native Claims Settlement Act payments - Redesignate items B-G as C-H - Add new item B and move exclusion for Sac & Fox Indian Claims Agreement from item A to new item B - Revise redesignated item G by correcting reference to paragraph 4543 - Revise redesignated item H to include current policy on Student Financial Assistance - Add item I for stipends paid to Indian vocational training students - Add item J for spina bifida payments for children of Vietnam Veterans - Add item K for payments under Section 35035 of Public Law 102-575
--	4-7	(New paragraph)	- Add new paragraph 4440, “Exempt Income Treated as Resource”
4-7	4-8	4500 Income	- Revise last sentence of paragraph to specify that income that is reasonably anticipated to be received must be counted
4-7	4-8	4510 Basis of National Income Eligibility Standards	- Revise to explain the basis of the national income standards

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4-7	4-8	4511 Income Eligibility Standards for Nonassistance Households	- Move second sentence to paragraph 4510
4-7	4-8	4520 Earned Income	- Revise item D on work study earnings to clarify that Title IV work study earnings are excluded
4-8	4-9	4530 Unearned Income	<ul style="list-style-type: none"> - Revise item B by adding statement that the gross amount is always used, even if taxes and/or FICA are withheld - Revise item C to add example of support and make clearer - Revise item D to change title from "Education Grants" to "Student Financial Assistance" - Clarify that Title IV assistance is excluded; Revise item I for clarity
4-9 to 4-10	4-10 to 4-11	4542.1 Exception to Vendor Payment Rule - Legally Obligated Payments	- Revise item C2 for clarity
4-10 to 4-11	4-11 to 4-12	4543 Income Excluded by Law	<ul style="list-style-type: none"> - Specify that the list is not inclusive; - Spell out "Public Law" wherever "P.L." appears - Revise item B on Alaska Native Claims Settlement Act payments - Delete items J and K and incorporate language in item C, and revise item C to mirror current policy - Revise item F to include current policy on Student Financial Assistance - Revise item H to add example for payments to farmers during natural disasters - Revise item I by substituting the phrase "Workforce Investment Act of 1998" for the phrase "Job Training Partnership Act" - Add new item J for stipends paid to Indian vocational training students - Add new item K for spina bifida payments for children of Vietnam Veterans - Add new item L for payments under Section 35035 of Public Law 102-575

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4-12	4-13	4544 Tuition and Mandatory Fees Paid From Educational Loans, Grants, Benefits, Scholarships	- Revise for clarity
4-12	4-13	4546 Reimbursement for Expenses	- Revise for clarity
4-12	4-13	4548 Earnings of Children	- Revise for clarity
4-13	4-14	4549D Nonrecurring Lump-Sum Payments	- Specify in last sentence that the funds will continue to be counted as a resource as long as they are available to the household
4-13	4-14	4549E Land-Lease or Treaty Income	- Add reference to paragraph 4530J
4-13	4-14	4550 Deductions from Income	- Add language that specifies that expenses covered by excluded reimbursements or vendor payments are <u>not</u> deductible - Add reference to paragraph 4630
4-13	4-14	4551 Earned Income Deduction	- Revise for clarity
--	4-15	(New paragraphs)	- Add paragraphs 4553, "Child Support", and 4554, "Medicare Part B Medical Insurance Premium"
4-14	4-16	4600 General Standards for Determining Income	- Revise for clarity
4-14 to 4-15	4-16 to 4-17	4610 through 4616	- Redesignate the paragraphs as follows: 4610 becomes 4611, Income in the Past 30 Days 4611 becomes 4612, Seasonal Income 4612 becomes 4615, Anticipated Income 4613 becomes 4611A, Steady Employment 4614 becomes 4611B, Hourly and Piece-Work Wages 4615 becomes 4613, Withheld Wages 4615 becomes 4614, Self-Employment Income
4-14	4-16	4610 Income in Past 30 Days	- Change title to "Determining Income" - Text from old paragraph 4610 is redesignated as paragraph 4611 and revised for clarity
4-15	4-16	4614 Hourly and Piece-Work Wages (redesignated as paragraph 4611B)	- Add the phrase "on a regular basis" between "available" and "during" in the second sentence

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4-17	--	4634 Types of Expenses Not Allowed as Deductions	<ul style="list-style-type: none"> - Delete paragraph - Language on the non-deductibility of reimbursed expenses or vendor payments added to paragraph 4550 - Language on non-deductibility of expenses of services provided by a household member added to paragraph 4553
4-17	4-19	4640 Calculation of Net Monthly Income	<ul style="list-style-type: none"> - Revise for clarity and add steps to include student financial assistance and self-employment income - Revise item D (redesignated as item G) to include income deductions for child support and Medicare Part B Medical Insurance Premium
4-18	4-20	4700 General Standards	- Revise for clarity
4-18	4-20	4710 Households with a Student(s)	- Revise for clarity
4-18	4-20 to 4-21	4711 Determining Monthly Income - Students	<ul style="list-style-type: none"> - Revise entire paragraph for clarity; - Clarify that student financial assistance excluded by law is not counted - Specify that a separate calculation must be done for each household member with student financial assistance - Combine paragraphs 4712 and 4713 with paragraph 4711
4-19	4-21	4720 Households with Income from Self-Employment	- Revise introductory paragraph
4-19	4-21	4721 Income from Rental Property	- Revise for clarity
4-19	4-21	4722 Income from Capital Gains	<ul style="list-style-type: none"> - Add reference to paragraph 4727 - Revise for clarity
4-19	4-21 to 4-22	4723 Costs of Producing Self-Employment Income – Allowable Exclusions	- Revise for clarity
4-20	4-22	4724 Costs of Producing Self-Employment Income – Unallowable Exclusions	<ul style="list-style-type: none"> - Revise for clarity - Add reference to paragraph 4551 to item D
4-20	4-22 to 4-23	4725 Situations for Averaging Self-Employment Income	<ul style="list-style-type: none"> - Change title to “ Prorating Self-Employment Income” - Revise entire paragraph for clarity

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4-21	4-23 to 4-24	4726 Determining Monthly Income – Self Employment Households; 4727 Net Monthly Income-Self Employment Households	- Combine paragraphs 4726 and 4727 as paragraph 4727, “Determining Monthly Self-Employment Income” - Revise for clarity
--	4-23	(New paragraph)	- Add new paragraph 4726, “Stable and Unstable Self-Employment Income”
4-21	4-24	4730 Households with Disqualified Members	- Revise to include all types of disqualifications
4-22	4-24	4731 Applying Financial Eligibility Standards	- Revise item A for clarity - Add example in item B
4-22	4-25	4740 Households with Nonhousehold Members - SSI	- Revise to apply to nonhousehold members other than SSI cash out - Revise for clarity
5-1	5-1	5101 Certification Pending Verification	- Add references to paragraphs 3120 and 3320 - Revise for clarity
5-1	5-1	5110 Establishing Certification Periods	- Revise for clarity
5-1 to 5-2	5-1 to 5-2	5112 Length of Certification Periods	- Revise for clarity
5-2	5-2	5121 Requirements for Identification; 5122 Frequency of Issuance	- Move the contents of paragraph 5122 and to paragraph 5121
--	5-2	(New paragraph)	- Add new paragraph 5122, “Improper Use of Commodities”
5-2	5-3	5131 Contents of Notice-Required Information	- Change title to “Notice of Eligibility” - Revise for clarity
5-2	5-3	5132 Notice of eligibility for Expedited Cases	- Add reference to paragraph 3340
5-3	5-3	5140 Changes During the Certification Period	- Revise for clarity
5-3	5-4	5143 How Changes Are Reported	- Revise for clarity
5-4	5-4 to 5-5	5152 Decrease in Benefits	- Expand language on ITO/SA action when fair hearing has been requested - Add examples on time frame for implementing decreases in benefits or terminations
5-4	5-5	5153 Failure to Report Changes	- Revise for clarity - Add references to paragraph 5141 and Section 6 of Chapter 5
5-4	5-5	5160 Notice of Adverse Action	- Move reference to continuation of benefits in second sentence to paragraph 5163

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5-4 to 5-5	5-5	5161 Timing of Notice	- Add statement that initial demand letter must be issue at same time as notice of adverse action per 7 CFR 253.7(b)(3)(iii)(E)
5-5	5-6	5163 Contents of Notice of Adverse Action	- Revise to include items listed in 7 CFR 253.7(b)(3)(iii)(C)
5-7	5-8	5300 General Requirements	- Revise for clarity
5-7	5-8	5320 Household Failure to Submit a Timely Reapplication	- Revise for clarity - Change “\$50 per quarter” to “\$50 per month”
5-8	5-9	5400 Choice of Programs	- Delete phrase “on Indian Reservations” in first sentence - Clarify second sentence to specify that the pending disqualification is related to a FSP intentional program violation - Redesignate paragraphs 5410-5430 as paragraphs 5420-5440
--	5-9	(New paragraph)	- Add new paragraph 5410 to separate out policy on dual participation - Add provision on FSP disaster assistance - Add provision allowing FSP households receiving zero benefits to participate in FDPIR
5-8	5-9	5410 Allowable Times for Changing Programs (redesignate as 5420)	- Revise for clarity
5-8	5-9	5420 Notification to the State Agency (redesignate as 5430)	- Revise for clarity
5-8	5-10	5430 State or Local Agency Action and Benefit Entitlement (redesignate as 5440)	- Revise for clarity
5-9	5-11	5500 General	- Revise for clarity
5-9	5-11	5510 Notification of Right to Request Hearing	- Revise for clarity - Add reference to paragraph 5163
5-9	5-12	5521 Time Period for Requesting Hearing	- Redesignate paragraph 5521 as paragraph 5522 - Add “and Continuation of Benefits” to title - Revise for clarity
--	5-12	(New paragraph)	- Add new paragraph 5521, “Fair Hearing Request Form”
5-9 to 5-10	5-12	5530 Action on Hearings (5530-5532)	- Delete paragraphs 5530 and 5531 - Redesignate paragraph 5532 as paragraph 5543

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5-10	5-12	5540 Agency Conferences	<ul style="list-style-type: none"> - Redesignate paragraphs 5540 and 5541 as paragraphs 5530 and 5531, respectively - Incorporate provisions from deleted paragraph 5531 in new paragraph 5540 - Revise new paragraphs 5530 and 5531 for clarity
--	5-12	(New paragraphs)	<ul style="list-style-type: none"> - Add new paragraphs 5532, "Conduct of Agency Conferences," and 5533, "Agency Conference Outcomes"
--	5-13	(New paragraph)	<ul style="list-style-type: none"> - Add new paragraph 5540, "ITO/State Agency Responsibilities on Fair Hearing Requests"
--	5-13	(New paragraphs)	<ul style="list-style-type: none"> - Add new paragraphs 5541, "Household Request for Materials or Assistance in Preparing for the Fair Hearing," and 5542 "Need for Bilingual Services"
5-10	5-13	5550 State Agency Responsibilities on Hearing Requests	<ul style="list-style-type: none"> - Delete paragraph 5550 - Move second sentence from original paragraph 5550 to new paragraph 5542 - Move remaining text from original paragraph 5550 to new paragraph 5541
5-10	5-13	5551 Rules of Procedure	<ul style="list-style-type: none"> - Redesignate as paragraph 5544
5-11	5-13	5552 Denial or Dismissal of Request for Hearing	<ul style="list-style-type: none"> - Redesignate as paragraph 5545
5-12	5-14	5563 Notification of the Hearing	<ul style="list-style-type: none"> - Redesignate as paragraph 5546
5-11	5-14	5560 Continuation of Benefits	<ul style="list-style-type: none"> - Redesignate as paragraph 5550 - Move second sentence to new paragraph 5521 - Add new paragraph 5551, "Denial of Request for Continuation of Benefits" - Move fifth, sixth and seventh sentences of paragraph 5560 to new paragraph 5551 - Add reference to paragraph 5610E - Revise for clarity
5-11	5-15	5561 Reduction or Termination of Benefits	<ul style="list-style-type: none"> - Redesignate paragraph 5561 as paragraph 5552 - Change title to "Decrease in Benefit Level or Termination of Eligibility Pending Fair Hearing Outcome" - Revise for clarity
5-12 to 5-13	5-15 to 5-16	5570 The Hearing Official (redesignated as 5560)	<ul style="list-style-type: none"> - Redesignate paragraphs 5570, 5571, 5572, and 5573 as paragraphs 5560, 5561, 5562, and 5563, respectively - Revise for clarity

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5-13	5-16	5572 Powers and Duties of the Hearing Official (redesignated as 5562)	- In item E, replace the words “paragraph 5590” with the words “paragraph 5580”
5-13	5-16	5573 Hearing Authority (redesignated as 5563)	- Replace the words “subparagraph 5571” with the words “paragraph 5561”
5-13 to 5-14	5-16	5580 Conduct of the Hearing	- Redesignate paragraphs 5580 and 5581 as paragraphs 5570 and 5571, respectively
5-14 to 5-15	5-17	5590 The Hearing Decision	- Redesignate paragraphs 5590, 5591, and 5592 as paragraphs 5580, 5581, and 5582, respectively
5-12	5-18	5562 Retroactive Benefits	- Redesignate as paragraph 5591
5-15	5-17	5592 Notification of the Hearing Decision (redesignated as 5582)	- Revise to comply with 7 CFR 253.7(h)(11) - Revise for clarity
5-15	5-18	5593 Implementation of Hearing Decision	- Redesignate as 5590 - Revise to add example of the effective date of a disqualification when benefits are issued within a specific period each month - Add reference to paragraph 5610E
5-15	5-17 to 5-18	5594 Household Appeal Rights; 5595 Public Access to State Agency Hearing Records	- Redesignate paragraphs 5594 and 5595 as paragraphs 5583 and 5584, respectively - Change title of new paragraph 5583 to “Judicial Review” - Revise for clarity
5-16	5-19	5600 Claims Against Households	- Revise to include \$125 threshold for establishing claims - Revise definition of "overissuance;" - Include language on documenting the claims action - Add new paragraphs 5601, “Responsibility for Repayment,” and 5602, “Disposition of a Claim”
5-16	5-19 to 5-20	5610 Instances Requiring a Claim Determination	- Revise for clarity
--	5-24	(New section)	- Add new Section 7, “Disqualifications,” - Incorporate text from paragraphs 5661, 5662, and 5663 - Revise text from initial paragraph 5663 (new paragraph 5730) to specify that IPV penalties will be applied if court fails to impose a disqualification
5-20	--	5661, 5662, 5663, 5670	- Delete paragraphs 5661, 5662, 5663, and 5670

Old Page	New Page	Paragraph	Proposed Change
5-19	5-23	5660 Disqualifications	<ul style="list-style-type: none"> - Redesignate paragraph 5660 as paragraph 5670 - Change title to “Disqualification for Failure to Pay A Claim” - Incorporate language from original paragraph 5661 on waiver of disqualification - Add language that although a disqualification may be canceled, collection action on the claim shall be pursued unless a suspension is warranted - Revise for clarity
5-19	5-23	5650 Terminating Collection of a Claim	<ul style="list-style-type: none"> - Redesignate paragraph 5650 as paragraph 5661
5-18	5-21 to 5-22	5640 Collection Action	<ul style="list-style-type: none"> - Redesignate paragraphs 5640, 5641 and 5642 as paragraphs 5650, 5653, and 5660, respectively - Revise for clarity - Add clarification to redesignated paragraph 5640 that AIS reports may be used to determine the claim amount - Revise redesignated paragraph 5653 to specify that payments must be forwarded to St. Louis lockbox - Add clarification to redesignated paragraph 5660 that suspended claims must be reviewed periodically to determine if suspension is still warranted
5-19	5-21 to 5-22	5651 Change in Household Composition - Claims	<ul style="list-style-type: none"> - Change title to “Demand Letters;” - Revise first sentence of original text to change the word "claim" to the word "overissuance" - Incorporate language from original paragraphs 5640 and 5642 on requirement for three demand letters and sample demand letter (Exhibit M-2) - Add language that NOAA and initial demand letter must be issued at same time - Revise for clarity
--	5-22	(New paragraph)	<ul style="list-style-type: none"> - Add new paragraph 5652, “Revision of Claim Following a Fair Hearing When Continuation of Benefits Was Requested”

Old Page	New Page	Paragraph	Proposed Change
5-17 to 5-18	5-20 to 5-21	5630 Calculating the Amount of Claim	<ul style="list-style-type: none"> - Redesignate paragraphs 5630, 5631 and 5632 as paragraphs 5640, 5641, and 5642, respectively - Change claim amount to \$125 in redesignated paragraph 5640 - Revise example in redesignated paragraph 5642 - Revise for clarity
5-17	5-20	5620 Criteria for Establishing Claims	<ul style="list-style-type: none"> - Redesignate paragraph 5620 as paragraph 5630, "Timeframe for Calculating a Claim" - Revise for clarity
--	5-20	(New paragraph)	<ul style="list-style-type: none"> - Add new paragraph 5620, "Instances When a Claim Will Not Be Established" - Move text from paragraph 5621, "Procedural Errors," to new paragraph 5620
5-20	5-23	5680 FNS Approval	<ul style="list-style-type: none"> - Change title to "FNS Approval of Alternative Claims Procedures"
--	5-25 to 5-27	(New section)	<ul style="list-style-type: none"> - Add new Section 8, "Intentional Program Violations"
6-1	6-1	6101 Selection Criteria	<ul style="list-style-type: none"> - Delete phrase "rail or truck" from item D
6-1	6-1	6102 Notification of Destination Selection	<ul style="list-style-type: none"> - Revise for clarity
6-2	6-1 to 6-2	6110 Estimating USDA Commodity Needs	<ul style="list-style-type: none"> - Combine items D and E - Redesignate item F as item E - Include clarification that ITOs/State agencies operating under a warehouse/delivery pilot may be advised to maintain a different level of inventory - Revise for clarity
6-3	6-2	6121 Submission of USDA Commodity Pre-Orders	<ul style="list-style-type: none"> - Change title to "Submission of Food Orders" - Revise to reflect current requirements
6-3	6-3	6122 Notice of Allocation	<ul style="list-style-type: none"> - Change title to "Ordering Options" - Revise to reflect current requirements
6-4	6-3	6130 Food Requisition	<ul style="list-style-type: none"> - Revise for clarity
6-4	6-3	6140 Cancellation of Orders	<ul style="list-style-type: none"> - Revise for clarity
6-4	6-4	6150 Redonations	<ul style="list-style-type: none"> - Change title to "Redonation of Excess Inventory" - Revise for clarity
6-4	6-4	6151 State Agency Fault or Negligence	<ul style="list-style-type: none"> - Change title to "Assumption of Redonation Costs" - Revise for clarity
6-5	6-4	6152 At the Department's Request	<ul style="list-style-type: none"> - Revise for clarity

Old Page	New Page	Paragraph	Proposed Change
6-5	6-4	6160 USDA Commodity Ordering Procedures for a Local Agency	- Redesignate as paragraph 6170
--	6-4	(New paragraph)	- Add new paragraph 6160, "Transfer of Bonus Commodities"
6-6	6-5	6200 General	- Revise for clarity
6-6	6-5	6211 Shipment Inspection Procedures	- Add item E, "If seals are intact or broken when the shipment is the first of several stops to be made by the carrier."
6-7	6-6	6212 Over, Short, or Damaged Shipments	- Revise to reflect current requirements
6-7	6-6	6213 Receipt of Out-of-Condition Commodities	- Revise to reflect current requirements
6-7	6-6	6214 Notification of Out-of-Condition Shipment of USDA Commodity	- Revise to reflect current requirements
6-7	6-7	6215 Receipt of USDA Commodity with Latent Defects 6216 Salvage of USDA Commodities	- Redesignate paragraph 6216 as paragraph 6215, Salvage of USDA Commodities and redesignate paragraph 6215 as paragraph 6216, USDA Commodities with Latent Defects - Revise new paragraph 6216 to include reference to the Commodity Complaint process
6-8	6-8	6217 Form KC-269(A), Forwarding Notice, as a Consignee Receipt	- Delete second sentence of second paragraph - Revise for clarity
6-9	6-8	6218 Form-PPCR71 – Multi-Food Consignee Receipt	- Revise to reflect current requirements
7-1	7-1	7100 General	- Revise for clarity
7-1	7-1 to 7-2	7130 Characteristics of Acceptable Storage Facilities	- Change title to "Standards for Storage Facilities" - Revised to reflect requirements at 7 CFR 250.14(b)
7-2	7-2	7131 Warehouse Floors	- In last sentence delete phrase "State or local"
7-2	7-2	7133 Fire Prevention Equipment	- Add website for National Fire Protection Association
7-3	7-3	7143 Freezer Storage Areas	- Delete reference to canned butter
--	7-3	(New paragraph)	-Add a new paragraph 7150, "Tribal/State/Local Health Department Policies"
7-4	7-4	7200 Stacking USDA Commodities	- Revised for clarity

Old Page	New Page	Paragraph	Proposed Change
7-5	7-5	7300 Housekeeping Practices	- Revise for clarity
7-5	7-5	7311 Sources of Insect Infestation	- Revise item C for clarity
7-6	7-6	7321 Sources of Rodent Infestation	- Revise for clarity
7-7	7-7	7322 Methods of Reducing or Eliminating Rodent Infestation	- Revise for clarity
7-9	7-9	7431 Maintaining a Supply	- Specify that amount of supply is for each food group
7-9	7-9	7441 Reconciliation of Physical and Perpetual Inventories	- Delete reference to dollar value of shortage in last sentence
8-1	8-1	8100 General	- Revise for clarity
8-1 to 8-2	8-1 to 8-2	8120-8131	- Combine paragraphs 8120 and 8130 under one main paragraph (8120, "Food Distribution Center Facilities and Services") with subparagraphs on "Size of Food Distribution Center" (8121), "Certification and Waiting Areas" (8122), and "Nutrition Education Area" (8123) - Revise all of paragraph 8120 for clarity
8-3	8-2	8160 Stacking of USDA Commodities in the Distribution Center	- Redesignate paragraph 8160 as 8130 - Change title to "Preparation of Commodities for Distribution" - Revise for clarity
8-2	8-2 to 8-3	8140 Routing of Participants	- Change title to "Distribution of Commodities" - Revise for clarity - Delete paragraph 8150 and move revised text into paragraph 8140
8-3	8-3	8170 Housekeeping	- Redesignate paragraph 8170 as paragraph 8160
8-3	8-3	8180 Assistance to Program Participants	- Redesignate paragraph 8180 as paragraph 8150
8-4 to 8-5	8-4 to 8-5	8210 Food Distribution Center Size; 8220 Food Distribution Center Facilities; 8221 Nutrition Education Area	- Combine paragraphs 8210 and 8220 under one main paragraph (8210, "Food Distribution Center Facilities and Services") with subparagraphs on "Food Distribution Center Size" (8211), "Certification and Waiting Areas" (8212), and "Nutrition Education Area" (8213) - Revise all of paragraph 8210 for clarity

Old Page	New Page	Paragraph	Proposed Change
8-6	8-5	8250 Stacking of USDA Commodities in the Distribution Center	- Redesignate paragraph 8250 as 8220 - Change title to “Preparation of Commodities for Distribution” - Revise for clarity
8-5	8-5 to 8-6	8230 Routing of Participants	- Change title to “Distribution of Commodities” - Revise for clarity - Delete paragraph 8240 and move revised text into paragraph 8230
8-6	8-6	8260 Housekeeping	- Redesignate paragraph 8260 as paragraph 8250
8-6	8-6	8270 Assistance to Program Participants	- Redesignate paragraph 8270 as paragraph 8240
8-7	8-7	8300 Tailgate (Mobile) Distribution System	- Delete paragraph 8330 and move text to paragraph 8300 - Revise for clarity
8-7	8-7	8310 Reason for Tailgate Distribution	- Change title to “Need for Tailgate Distribution” - Revise for clarity
8-7	8-8	8320 Severe Weather Exceptions	- Delete paragraph 8320 (text to be moved to new paragraph 8331)
8-9	8-7 to 8-8	8390-8393 Scheduling of Tailgate Distribution	- Redesignate paragraphs 8390-8393 as paragraphs 8320-8323, respectively - Revise for clarity
8-8	8-8	8360 Food Distribution Facilities; 8370 Certification Services	- Combine paragraphs 8360 and 8370 under one paragraph (8330, “Food Distribution Facilities and Services”) with subparagraphs on “Severe Weather” (8331), “Certification” (8332), “Nutrition Education” (8333), and “Food Distribution” (8334) - Revise all of paragraph 8330 for clarity
8-7	8-9	8340 Truck Size	- Redesignate paragraph 8340 as paragraph 8360 - Change title to “Truck Space Required for Full Orders” - Revise for clarity
8-8	8-9	8350 Stacking of USDA Commodities in the Trck	- Redesignate paragraph 8350 as paragraph 8370
8-8 to 8-9	8-8 to 8-9	8380 Routing of Participants	- Redesignate paragraph 8380 as paragraph 8340 - Change title to “Distribution of Commodities” - Revise for clarity
--	8-9	(New paragraph)	- Add new paragraph 8350, “Assistance to Program Participants”

Old Page	New Page	Paragraph	Proposed Change
--	8-10	(New section)	- Add new Section 4, "Home Delivery"
9-1	9-1	9100 General	- Add provision that if ITO/State agency fails to pursue a claim against a local agency, FNS may hold the ITO/State agency responsible for the claim
9-1	9-1 to 9-2	9110 Losses from State Agency Warehouse and/or Distribution Facilities	- Change title to "Claim Determinations for Commodity Losses" - Combine paragraphs 9110 and 9120 under paragraph 9110 and expand to specify handling and reporting of various types of claims and claim levels
9-1	9-2 to 9-3	9120 Losses from Local Agency Warehouse and/or Distribution Facilities	- Change title to "ITO/State Agency Collection of Claims for Commodity Losses" - Revise to specify collection action on various types of claims and claim levels
9-2	9-4	9200 Local Agency Responsibilities	- Revise for clarity - Add requirement that the ITO/State agency provide FNS-acceptable form for reporting local agency losses
9-3	9-5	9300 Loss Reporting Requirements	- Revise to conform to current requirements
Exhibit B	Exhibit B	Sample Copy of Form FNS-74	- Revise to include current version of form
Exhibit C	Exhibit C	Sample Copy of SF 269	- Revise to include current version of form
Exhibit C-1	Exhibit C-1	Sample Copy of SF 269A	- Revise to include current version of form
Exhibit E	Exhibit E	Sample Copy of Form FNS-101	- Revise to include correct version of form
Exhibit F	Exhibit F	Sample Copy of Form FNS-155	- Delete Sample Copy of Form FNS -155 and Reserve Exhibit F
Exhibit I	Exhibit I	Sample Copy of SF 424	- Revise to include current versions of SF 424, SF 424A, SF 424B, SF 424C, and SF 424D
Exhibit M	Exhibit M	Food Distribution Program on Indian Reservations Net Monthly Income Standards	- Revise to include Income Standards effective October 1, 2004
Exhibit M-2	Exhibit M-2	Sample Demand Letter for Overissuance	- Revise to include correct nondiscrimination statement
Exhibit N	Exhibit N	Sample Copy of Form FNS-7	- Revise to include current version of form

Old Page	New Page	Paragraph	Proposed Change
Exhibit O	Exhibit O	Food Distribution Program on Indian Reservations Monthly Distribution Guide	- Replace Exhibit O (effective date October 1, 1998), with Exhibit O (effective date October 1, 2004)
--	--	(New Exhibit)	- Add new Exhibit O-1, Food Distribution Program on Indian Reservations, Fresh Fruit and Vegetable Guide Rates
--	--	(New Exhibit)	- Add new Exhibit Y, 7 CFR Part 277
--	--	(New Exhibit)	- Add new Exhibit Z, 7 CFR Part 3016
--	--	(New Exhibit_	- Add new Exhibit AA, Sample Copy of Form DA-633E

* Grammatical and punctuation corrections, and minor word changes that do not affect content are not listed.